

## Five Step Guide

1. Ask for valid photo ID:
  - Compare ID to person
  - Compare ID to check

George G. Meade  
456 Claude Lane  
Dragon Lake, CA 91919  
(616) 555-1232

PAY TO THE ORDER OF Internal Revenue Service  
Three-hundred ninety-two and 75/100----- DOLLARS

FOR  
Dragon Lake State Bank  
Dragon Lake, CA 91919

George G. Meade

101  
79-1231230

\$ 392.75

117060011 11220012311 45632711 0101 11000003927511

3. Verify that check numbers match

4. Person must sign check in your presence

5. Check for perforations along any of these 3 edges



**Provided by the Glenwood Springs Police Department**



Glenwood Springs Police Department  
101 West 8th Street  
Glenwood Springs, CO 81601

# CHECK FRAUD

A Quick Reference  
Guide for Businesses



***Glenwood Springs  
Police Department***

101 West 8th Street  
Glenwood Springs, CO 81601  
(970) 384-6500  
[www.glenwoodpolice.com](http://www.glenwoodpolice.com)

## Check History & Information

*“NSF”, “Account Closed,” “Counterfeit”- each time retailers see these words on a returned check, they know they have lost money. According to the National Check Fraud Center, check fraud and counterfeiting are among the fastest growing problems affecting the United States financial system.*

*Checks account for approximately 1/3 of retail spending and they are one of the most popular forms of payment, second only to cash. Because of their popularity, retailers cannot afford to lose business by refusing to accept checks. However, there are some precautions retailers can take when accepting checks that will help combat check fraud.*

## Procedures to Follow

- Establish a check acceptance policy detailing acceptable forms of ID, required information and dollar limits and make no exceptions to the policy. Fraud artists are skilled at creating confusion that can leave businesses stuck with a bad check.
- When accepting a check, make sure a name, address and phone number are printed on the check and the written and numeral amounts correspond.

- Pay attention to the “feel” of the check. Most check paper has the same weight and texture.
- Watch the check-writer sign the check and have the customer print the name below, if the signature is illegible.
- If the check is already endorsed when presented, have the person endorse it again in front of you and compare the signatures.
- Only accept checks from people that can provide you with a valid form of photo ID, such as a State-issued driver’s license.
- Check the driver’s license, which should be smooth all over with no ridges which could indicate alteration or modification.
- Compare the signatures, photo and physical description of the ID with that of the check-writer.
- Be sure to write the driver’s license number and issuing State on the check.
- Ninety-percent of returned checks have low check numbers (100 to 500). Low check numbers can indicate a recently opened account and a potentially more risky check.
- Avoid accepting starter checks. These checks have the person’s name, address, etc., hand-written in the upper left corner.

- Don’t accept second-party or third-party checks.
- All checks, except government checks, should have perforation along one side of the check.
- Don’t accept a check for more than the amount of purchase.
- Don’t accept checks written in pencil.
- Don’t accept checks that appear altered.
- Verify the date on the check is the correct date. Don’t accept checks that are post-dated or stale-dated.
- You can try calling the financial institution to verify funds, but there is no guarantee the check will clear.
- Use a check guarantee or verification service.

## Who to Contact

*If you’ve accepted a check that was later returned by the bank for reasons such as Insufficient Funds, Account Closed, or No Account, please contact the Glenwood Springs Police Department at (970) 384-6500, and ask for a Fraudulent Check Information Packet or download from [www.glenwoodpolice.com](http://www.glenwoodpolice.com). This packet will describe what steps you should take next, and whether the case will be criminally prosecuted by the District Attorney’s Office, or if you will have to seek civil remedies under Civil Law.*